

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 389 - HB 948

March 22, 2011

SUMMARY OF BILL: Creates a Class E felony for a person knowingly to sign, file, or cause to be prepared any deed or other property transfer device when the transferor, grantor, or person applying for registration knows the transferor or grantor has no legal or equitable property interest to convey. Excludes a licensed attorney who, in good faith after an examination of the public records, prepared such a transfer document. Creates a Class E felony for a person to transfer or record any transfer of land by execution of a general warranty or quitclaim deed with the knowledge that the transferor or grantor has no property interest to convey such land.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$9,300/Incarceration*

Assumptions:

- The Department of Correction assumes one new offender every three years will be convicted of the new Class E felony offense. According to DOC, the average operating cost per offender per day for calendar year 2011 is \$60.62. The average post-conviction time served for a Class E felony is 1.27 years (463.87 days) at a cost of \$28,119.80 (\$60.62 x 463.87 days).
- According to the U.S. Census Bureau, population growth in Tennessee has been 1.12 percent per year for the past 10 years, yielding a projected compound population growth of 11.78 percent over the next 10 years. No significant incarceration cost increase will occur due to population growth in this period. The maximum cost in the tenth year, as required by Tenn. Code Ann. § 9-4-210, is based on one offender every three years.
- The annualized time served per conviction is 153.08 days (0.33 annual number of convictions x 463.87 days served). The annualized cost per conviction is \$9,279.71 (\$60.62 x 153.08 days).
- Any increase in caseloads for the state trial courts can be accommodated within existing judicial resources without an increased appropriation or a reduced reversion.

**Tennessee Code Annotated, Section 9-4-210, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated from recurring revenues shall be based upon the highest cost of the next 10 years.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/lsc